

News Release

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Media Contact:

Walker Dimmig

+1 919 667-1800

Walker.Dimmig@NETPower.com

NET Power and Oxy Low Carbon Ventures Announce Investment Agreement to Advance Innovative Low-Carbon Technology

Durham, NC and Houston, TX (November 8, 2018) – NET Power, LLC, and Oxy Low Carbon Ventures, LLC (OLCV), a subsidiary of Occidental Petroleum Corporation (NYSE: OXY), today announced they have reached an investment agreement, subject to regulatory approval. The investment will advance the development of NET Power's low-cost, natural gas electric power system that generates no atmospheric emissions and inherently captures all carbon dioxide (CO₂). Upon receiving regulatory approval, OLCV will join current investors Exelon Generation (NYSE: EXC), McDermott (NYSE: MDR), and 8 Rivers Capital.

"OLCV is dedicated to advancing innovative low-carbon technology solutions that will grow Occidental's business while reducing emissions," said Occidental Petroleum's Senior Vice President, Operations Support, Richard Jackson. "NET Power's power generation technology with inherent carbon capture complements Occidental's leadership in CO₂ utilization and sequestration, making us ideal partners to tackle carbon emissions worldwide."

"NET Power has developed a critical tool for affordably generating electricity and addressing global carbon emissions, and Occidental's expertise and dedication to advancing low-carbon solutions will help to advance this technology rapidly around the world," said NET Power's CEO, Bill Brown.

NET Power has developed a novel power system that produces low-cost, reliable, and flexible electricity from natural gas, while generating no atmospheric emissions, including full CO₂ capture and no NO_x production. In May of this year, NET Power achieved first-fire at its 50MWth La Porte, Texas, demonstration facility, which is the world's first and only industrial-scale supercritical CO₂-based power plant. The first phase of testing successfully demonstrated the novel combustor at full scale and the operability of the NET Power process. The last phase of testing will commence shortly and is expected to be completed by early 2019. At that time, NET Power expects to have the data necessary to commence detailed engineering of 300MWe commercial scale plants with major power, oil and gas, and industrial customers around the world.

“Occidental’s experience and capabilities are an excellent complement to the NET Power team, and Exelon Generation looks forward to working with NET Power and the other investors to help advance this innovative, clean air technology,” said Ken Cornew, president and CEO of Exelon Generation.

“McDermott and Occidental have a longstanding relationship, one that we are excited to grow with Exelon and 8 Rivers Capital,” said David Dickson, McDermott’s President and Chief Executive Officer. “As a major oil and gas company, Occidental’s investment further solidifies the commercial viability of NET Power and its potential to be at the forefront of a new era of energy.”

In addition to electricity, NET Power plants will generate all CO₂ as a low-cost, pipeline-ready byproduct. Occidental Petroleum is the industry leader in using CO₂ to enable low-cost enhanced oil recovery (EOR), which can increase oil recovery by 10 to 25 percent in the fields where it is employed, while at the same time permanently sequestering the CO₂ in the reservoir. NET Power’s CO₂ can be used in a variety of other industrial processes that sequester the CO₂, including cleaning up large quantities of low-cost sour gas. Finally, NET Power plants also co-generate nitrogen, argon and process heat, driving lower-cost, lower-carbon industrial processes, such as cheap, zero-carbon hydrogen production.

NET Power sees a large, global demand for its technology, made even greater by the passage of 45Q carbon capture tax credit reform in the U.S., the growing demand for low-cost CO₂ for industrial processes that use and sequester CO₂, and the global shift toward lower-carbon energy production. NET Power’s reliable, dispatchable, zero-carbon energy provides a necessary and enabling complement to growing renewable generation, while helping the world to reach even deeper decarbonization targets at the lowest cost.

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NET Power, LLC, is a Durham, NC-based company developing the natural gas-fueled Allam Cycle power system. For more information, please visit www.NETPower.com.

Oxy Low Carbon Ventures, LLC (OLCV) is a subsidiary of Occidental Petroleum Corporation, an international oil and gas exploration and production company with operations in the United States, Middle East and Latin America. Occidental’s global strategy includes active investment in carbon dioxide enhanced oil recovery (CO₂-EOR) and carbon capture, utilization and storage (CCUS), as well as other emissions-reducing technologies. OLCV capitalizes on Occidental’s EOR leadership by developing CCUS projects that source anthropogenic CO₂ and promotes innovative technologies that drive cost efficiencies and economically grows Occidental’s business while reducing emissions.

Exelon Generation, a subsidiary of Exelon Corporation (NYSE: EXC), is one of the largest, most efficient clean energy producers in the U.S., with a generating capacity of around 35,000 megawatts. Exelon Generation operates the largest U.S. fleet of carbon-free nuclear plants with 20,300 megawatts of capacity from 23 reactors at 14 facilities in Illinois, Maryland, New Jersey, New York and Pennsylvania. Exelon Generation also operates a diverse mix of wind, solar, landfill gas, hydroelectric, natural gas and oil facilities in 18 states with around 15,000 megawatts. Exelon Generation has an industry-leading safety record and is an active partner and economic engine in the communities it serves by providing jobs, charitable contributions and tax payments that help towns and regions grow. Follow Exelon Generation on Twitter @ExelonGen, view the Exelon Generation channel on YouTube, and visit: <http://www.exeloncorp.com/companies/exelon-generation>.

McDermott is a premier, fully integrated provider of technology, engineering and construction solutions to the energy industry. For more than a century, customers have trusted McDermott to design and build end-to-end infrastructure and technology solutions—from the wellhead to the storage tank—to transport and transform oil and gas into the products the world needs today. Our proprietary technologies, integrated expertise and comprehensive solutions deliver certainty, innovation and added value to energy projects around the world. Customers rely on McDermott to deliver certainty to the most complex projects, from concept to commissioning. It is called the “One McDermott Way.” Operating in over 54 countries, McDermott’s locally focused and globally-integrated resources include approximately 40,000 employees, a diversified fleet of specialty marine construction vessels and fabrication facilities around the world. To learn more, visit www.mcdermott.com.

8 Rivers Capital, LLC is a Durham, NC-based firm leading the innovation of sustainable, infrastructure-scale technologies. As the inventor of the Allam Cycle, 8 Rivers is also focusing on developing economic and sustainable production of hydrogen, as well as uses for the CO₂ captured by the cycle, including the production of ethylene and other valuable products and the removal of sulfur impurities from gas streams. 8 Rivers is also developing technologies to deliver space launch and backbone communications at a fraction of the cost of existing technologies. For more information, visit www.8Rivers.com.